

BellSouth Telecommunications, Inc. Suite 2104 333 Commerce Street Nashville, TN 37201-3300 Charles L. Howorth, Jr. Regulatory Vice President

*02 MAY 10 Fax 615 214-8858

OFFICE OF THE EXECUTIVE DEGRETARY

May 10, 2002

Mr. Joe Werner, Chief Telecommunications Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee

0200543

Dear Mr. Werner:

SUBJECT: Tariff Filing for Contract Service Arrangement AL01-D473-10

Attached is a Contract Service Arrangement tariff filing of BellSouth Telecommunications, Inc., issued May 10, 2002. We request that this tariff be effective May 20, 2002.

General Subscriber Services Tariff A Section A5 - Second Revised Page 301

<u>Private Line Services Tariff</u> Section B5 - Original Page 49

This Contract Service Arrangement is being submitted to the Tennessee Regulatory Authority for review and approval. Details may be found in the Executive Summary which is included with this filing package.

On April 3, 2001, the Authority adopted new Rules in Docket No. 00-00702. In view of the Authority's expressed desire to implement these Rules as the Authority's policy pending final approval, BellSouth filed a tariff to voluntarily comply with these Rules, and that tariff became effective on August 15, 2001. Since these Rules have now been implemented as the Authority's policy, BellSouth is submitting this filing under provisions in those Rules which allow a 10-day interval for the Authority's review and approval of tariffs for special contracts. In addition, notwithstanding language in the CSA to the contrary, the termination liability limitation provisions described above will also apply in the event of early termination of contracts for discount-eligible tariffed services associated with this CSA.

We appreciate your returning a receipted copy as evidence of this tariff filing. Please call Paul Stinson at 214-3839 if you have questions or wish to discuss.

Yours truly,

Peul Stinos for Attachment

EXECUTIVE SUMMARY AL01-D473-10

INTRODUCTION

The purpose of this filing is to introduce a Contract Service Arrangement that provides the customer with discounts in exchange for the Customer's agreement to attain an Annual Revenue Commitment.

DESCRIPTION OF CONTRACT SERVICE ARRANGEMENT

This Contract Service Agreement provides for a maximum discount of 12% on billing for discount eligible services as listed in the contract included with this filing for a term of 3 years. Descriptions of these discount eligible services are listed in Sections A3., A6., A9., A12., A13., and A42. of the General Subscriber Services Tariff and B7. of the Private Line Services Tariff. The applicable terms and conditions are also contained in the contract included with this filing.

REVENUE AND COST INFORMATION

Revenue and cost information associated with this contract is filed under separate cover and is subject to a proprietary agreement.

Second Revised Page 301 Cancels First Revised Page 301

EFFECTIVE: May 20, 2002

(N)

(N)

ISSUED: May 10, 2002 BY: President - Tennessee Nashville, Tennessee

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

A5.6 Contract Service Arrangements (Cont'd)

A5.6.1 Rates and Charges (Cont'd)

A. The following is a listing of rates and charges to subscribers requiring contract service arrangements: (Cont'd)

Case No. TN02-8017-00

This Contract Service Arrangement provides rates and charges for BellSouth® Centrex service and MemoryCall® service served out of a 5ESS central office for a minimum service period of thirty-six (36) months. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

(1) BellSouth® Centrex service, Payment Plan 3

	(a) (b)	Standard common equipment, each Common equipment customized by the Company at the subscriber's request, each	Nonrecurring Charge \$600.00 750.00	36 Months Monthly Rate \$-	USOC M1ACS M1ACC
	(c)	Station Links Equipped with Caller ID, Flat Rate, each	19.50	39.00	M4LFH
(2)	(d) Bell	Station Links for Provision in a Different Serving Wire Center, Flat Rate, each South® Centrex service	19.50	39.00	M4LFM
(3)	(a) (b) (c) Men	Standard Features, per station line, each Assumed Dial 9, per system Network Access Register (NAR) Package, per NAR, Both-way, Flat Rate noryCall® service, MemoryCall® Deluxe Voice Messagin	40.50 -	- 1.10 -	CENAA M2DDA M9QCX
(4)	(a)	Each Mailbox South [®] Desktop Complete	15.00	6.00	VMZ1X
	(a)	Per group of initial installed BellSouth® Centrex service non-ISDN Station Links	•	1.00	WBB7W

Case No. TN02-1228-01

This Contract Service Arrangement provides intrastate, intraLATA Aggregated BellSouth® WatsSaver® service for a minimum service period of twenty-four (24) months. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

(1) Aggregated Regional WatsSaver® service

(5)	D		Rate Per Minute	USOC
(a)	Per minute rate		\$.03	WWW34

Case No. AL01-D473-10

This Contract Service Arrangement provides a twelve percent (12%) discount on eligible tariffed services. Discount eligible services are found in Sections A3., A6., A9., A12., A13., and A42. of this Tariff. In order to be eligible for this discount, the customer has agreed to attain an Annual Revenue Commitment on a regional basis. The duration of this Agreement is three years. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

BellSouth is a registered trademark of BellSouth Intellectual Property Corporation
 Registered Service Mark of BellSouth Intellectual Property Corporation

Original Page 49

(N)

(N)

EFFECTIVE: May 20, 2002

ISSUED: May 10, 2002 BY: President - Tennessee Nashville, Tennessee

B5. APPLICATION OF CONSTRUCTION (TERMINATION AND ADDITIONAL CHARGES)

B5.7 Contract Service Arrangements (Cont'd)

B5.7.1 Rates and Charges (Cont'd)

A. The following is a list of rates and charges to subscribers requiring contract service arrangements: (Cont'd)

Case No. AL01-D473-10

a. This Contract Service Arrangement provides a twelve percent (12%) discount on eligible tariffed services. Discount eligible services are found in Section B7. of this Tariff. In order to be eligible for this discount, the customer has agreed to attain an Annual Revenue Commitment on a regional basis. The duration of this Agreement is three years. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

BellSouth is a registered trademark of BellSouth Intellectual Property Corporation
 Registered Service Mark of BellSouth Intellectual Property Corporation

MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is entered into by and between BellSouth Telecommunications, Inc. ("BellSouth"). BellSouth and Customer hereby agree to the following terms and conditions:

- I. Customer hereby orders the services described in the Master Services Agreement-Order Attachment ("Order Attachment(s)") at the recurring and non-recurring rates, charges in the Order Attachment, and in accordance with terms and conditions as described in the applicable tariffs and Order Attachment(s). Customer agrees to pay for the services included in the Order Attachment(s) to this Agreement. A sample Order Attachment is attached.
- II. This Agreement is subject to and controlled by the provisions of BellSouth's tariffs including but not limited to the General Subscriber Services Tariff and the Private Line Services Tariff and all such revisions to said tariffs as may be made from time to time. Except for the rates and charges in the Order Attachment(s), the tariff shall supersede any conflicting provisions of this Agreement. BellSouth agrees that any appropriate tariff decreases for any rate element will be provided to the Customer.
- III. If Customer cancels a service ordered pursuant to an Order Attachment prior to the completed installation of the service but after the execution of the Order Attachment, Customer shall pay all reasonable costs incurred in the implementation of the service included in the Order Attachment. Such reasonable costs shall not exceed all costs which could apply if the work in the implementation of the Order Attachment had been completed.
- IV. A. If Customer cancels a service ordered pursuant to an Order Attachment at any time prior to the expiration of the service period set forth in the appropriate Order Attachment(s), Customer shall be responsible for all termination charges unless otherwise specified. Termination charges are defined as all reasonable charges due or remaining as a result of the minimum service period agreed to by BellSouth and Customer as set forth in the Order Attachment(s).
- B. Customer further acknowledges that it has options for its telecommunication services from service providers other than BellSouth and that it has chosen BellSouth to provide the services specified in each Order Attachment. Customer, therefore, agrees that in the event it terminates services provided pursuant to an Order Attachment for a Contract Service Arrangement or Special Service Arrangement (a.k.a. Special Assembly), Customer will be responsible for termination charges set forth in A above. Customer, however, will not be responsible for termination charges if a certified reseller of BellSouth local service resells this Agreement to Customer and such reseller executes a written document agreeing to assume all of Customer's obligations to BellSouth under this Agreement.
- V. This Agreement when used in conjunction with a Special Assembly or Contract Service

 Arrangement may be subject to appropriate regulatory approval prior to commencement of installation. In
 the event such regulatory approval is denied, after a proper request by BellSouth, any Special Assembly
 and/or Contract Service Arrangement shall be null and void and be of no effect.
- VI. The service period shall be as specified in the Order Attachment(s) to this Agreement.
- VII. For the determination of any service period, the service period shall commence the date that the installation of service is completed.

VIII. At the expiration of the service period for any service that is available pursuant to the tariff, the Customer may continue the service according to renewal options provided under the tariff. If the Customer does not elect an additional service period, or does not request discontinuance of service, the service will be provided at the monthly rate currently in effect for month-to-month rates. At the expiration of the service period for any Special Assembly or Contract Service Arrangement, the customer may convert to an available tariff offering for the specific service or may request a new Special Assembly or Contract Service Arrangement.

- IX. Customer may order additional existing services or new services by submitting an appropriate Order Attachment properly authorized and submitted in accordance with BellSouth's procedures. Rates for additional and/or new services will be in accordance with the applicable tariff rates in effect at the time the Order Attachment is accepted by BellSouth or as otherwise stated in the appropriate Order Attachment.
- X. This Agreement shall be governed by and construed in accordance with the laws of each state where the service is provided unless otherwise provided.
- XI. Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received, and shall be sufficient if given in writing, hand delivered or deposited in United States mail, postage prepaid, addressed to the appropriate party at the address set forth below:

BellSouth

BellSouth Telecommunications, Inc. Assistant Vice President-Sales 3196 Hwy 280 South Birmingham, AL 35243 (Attention:

Customer



XII. Customer may not assign its rights or obligations under this Agreement without the express prior written consent of BellSouth and only pursuant to the conditions contained in the appropriate tariff.

XIII. In the event that one or more of the provisions contained in this Agreement or incorporated within by reference shall be invalid, illegal or unenforceable in any respect under any applicable statute, regulatory requirement or rule of law, then such provisions shall be considered inoperative to the extent of such invalidity, illegality or unenforceability and the remainder of this Agreement shall continue in full force and effect.

XIV. This Agreement shall become effective upon execution by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below.

Accepted by:

Authorized Signature

Printed Nam

Title: 220

Company:

BellSouth Telecommunications, Inc..

Authorized Signature

Printed Name: DICIEW D.)

Title: Assistant Vice President

Date: 422/02

SAMPLE ORDER ATTACHMENT

This Order Attachment is made Pu	rsuant to the Master Services Agreement N	0.			
	Selected Service Period:				
	Installation Date:				
	Estimated Installation Interval:				
	Customer's Installation A	——————————————————————————————————————			
	ORDER DETAIL				
QTY USOC	DESCRIPTION	NON-RECUR	RECUR		
her Terms and Conditions:					
stomer:	BellSouth Telecommunics	tions, Inc.			
(Authorized Signature	By:				
		Signature)			
le:	Title:				
te:					

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PROPIETARY

Not for disclosure outside of BellSouth and Customer except with written permission.

VOLUME AND TERM AGREEMENT

This Volume and Term ("V&T") Agreement ("Agreement") is entered into by and between BellSouth Telecommunications, Inc., a Georgia corporation ("BellSouth") and its affiliated companies (hereinafter collectively referred to as set forth herein.

I. DEFINITIONS

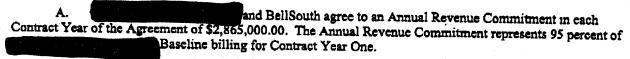
- A. A "V&T" Agreement is a customized Contract Service Arrangement ("CSA") with respect to various local and intraLATA services purchased by the services from BellSouth in the telephone exchanges served by BellSouth in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee. This Agreement provides the Customer certain levels of discounts on identified local and intraLATA services based upon the Customer's commitment to and attainment of an Annual Revenue Commitment in accordance with the requirements described in this Agreement.
- B. "Annual Revenue Commitment" is the agreed upon amount of billing each year to by Bell South for Bell South's regulated services that represent the billing agrees to achieve for purposes of this Agreement.

 S Annual Revenue Commitment is included in Appendix II of this Agreement.
- C. "Baseline" is the annualized billing to BellSouth regulated services that is used to calculate the Annual Revenue Commitment.
- D. "Discount Level" is the percentage reduction applied to the monthly billed revenue for the BellSouth services that are Discount Eligible and for which billing has occurred or will occur during the current billing period.
- E. "V&T Eligible Services" include all regulated services purchased by whose billing is used to calculate Annual Revenue Commitment. Non-recurring charges, taxes, and publicly imposed surcharges are not used to calculate the Baseline and are not considered V&T Eligible.
- F. "Discount Eligible Services" include all BellSouth local and intraLATA services purchased by that are appropriate for a percentage reduction off the existing monthly billed revenue as mutually agreed to by Appendix I.
 - G. "Effective Date" is the date the Agreement has been executed by both parties.
- H. A "Contract Year" is the twelve (12)-month period during the term of this Agreement beginning on the date both Parties have signed this Attachment ("Effective Date"), or any subsequent twelve (12)-month period that begins on the anniversary of the Effective Date.
- I. "Term" the number of Contract Years or the number of months the Volume and Term Agreement is effective. The Term of this Agreement is 3 Contract Years. If BellSouth receives written notification from Customer anytime during the 24th month of the contract of the intent to terminate this Agreement at the end of the twenty-fourth (24th) month, the contract will be terminated at the end of the twenty-fourth (24th) month from the Effective Date of the contract and termination penalties as specified in Section IX

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will not apply. Termination notification received after the beginning of the twenty-fifth (25th) contract month will result in termination penalties in accordance with Section IX.

II. ANNUAL REVENUE COMMITMENT



- B. BellSouth and services billed by BellSouth to during each year of the Agreement shall be applied toward the Annual Revenue Commitment.

 Revenue Commitment will be tracked by BellSouth and measured in pre-discounted billed dollars.
- C. In the event the Annual Revenue Commitment is adjusted due to a Business Change, Higher Order of Service, or Tariff Change as defined herein. Such as the state of the permitted to reduce its Annual Revenue Commitment by an amount equal to the adjustment made during the V&T Annual True-Up (as defined herein). The Annual Revenue Commitment levels contained in Appendix II shall be reduced by an amount equal to the adjustment made during the V&T Annual True-Up.

III. DISCOUNT LEVELS

- A. BellSouth will apply a Discount that is a percentage reduction off the monthly billed revenue for the total billed revenue associated with the Discount Eligible Services at the beginning of the Contract Year. The Discount Level, set forth in Appendix 1, will be effective on the first day of the month in which this Attachment was signed by both Parties.
- B. Charges billed pursuant to the Federal or State Access Services tariffs, billing for taxes or publicly imposed surcharges, including but not limited to, the surcharges for 911 or dual party relay services, Local Usage, CSAs, SSAs, WATSSaver, and End User Common Line Charges, are not eligible for the application of the Discount. Billing associated with certain services may not be eligible for the application of a Discount in order to comply with applicable regulatory and legal requirements.
- C. Charges billed pursuant to services discounted through other BellSouth promotions or offers are not eligible for the application of the Discount.
- D. Charges billed for V&T Eligible Services for which Customer has not paid will not be counted toward the Annual Revenue Commitment, or toward the amounts set forth in Exhibit 2, for purposes of determining a Discount Level attained by Customer.
- E. Customer and BellSouth will be jointly responsible for the identification of Customer accounts with V&T Eligible Services. Customer and BST agree that BellSouth will not be responsible for failure to apply a Discount to a V&T Eligible Service if such failure results from Customer's failure to identify the relevant account. Additional V&T Eligible Service accounts may be added only by mutual agreement of the Parties.

IV. REGULATORY CONSIDERATIONS

A. supersede existing tariffs and that all services that are included under the V&T Agreement will be purchased in

Page 2 of 6

accordance with the approved BellSouth General Subscriber Services Tariff and Private Line Services Tariff in effect in each state. The provisions of such tariffs applicable to the services shall apply unless and except to the extent this Agreement contains express provisions specifically in conflict therewith (in which case the express provisions of this Agreement shall control to the extent permitted by applicable law.)

B. cknowledges that BellSouth may be required to file and obtain approval of the V&T Agreement in certain states prior to the implementation of the V&T offering. BellSouth agrees to begin any necessary filings within 30 calendar days after the Effective Date. In the event the V&T Agreement is denied by a regulatory agency in any state or by another regulatory body with jurisdiction over this matter, this Agreement shall be null and void and of no effect in that state.

V. COMMITMENT SHORTFALL

Contract Year, BellSouth shall bill and Heart if it fails to meet its Annual Revenue Commitment during a given billed revenue for the current Contract Year and its Annual Revenue Commitment. BellSouth will issue a bill for the commitment shortfall.

VI. PROVISION FOR DISCOUNTING ADDITIONAL AND NEW SERVICES UNDER V&T

For the purposes of this Agreement an Additional Service is an intraLATA service that is tariffed by BellSouth on the Effective Date of this Agreement and is not considered a Discount Eligible intraLATA Service. A New Service is an intraLATA service that has been tariffed by BellSouth after the Effective Date of the V&T Agreement. Customer may submit a request to BellSouth to obtain a discount on the Additional Service or New Service under the Agreement.

VII. ACQUISITION OF NEW BUSINESSES

In the event security acquires a new business or operation within the BellSouth service area during the term of this Agreement and desires to include the services under the existing V&T Agreement, BellSouth and shall review such request and in the event it is mutually determined that the inclusion of these services is appropriate, BellSouth shall amend this Agreement as appropriate to include such services in the V&T Agreement.

VIII. AUTHORIZED USERS

specifically restricted to the use of specifically restricted to the u

IX. TERMINATION LIABILITY

If the provide BellSouth written notice of such termination 60 days prior to the effective date of termination. Termination liability will be in accordance with the following:

Page 3 of 6

- A. If written notice of termination is delivered to BellSouth to be effective at the end of a contract year, BellSouth will bill Company the following termination charges:
- (1) The amount of discounts received for the life of this Agreement or for the previous 12 months, whichever is less, and
- (2) The prorated portion of the Agreement implementation and tracking costs, calculated as follows:

Prorated Implementation and Tracking Costs = \$31,612.00 x (Contract Months Remaining/Total Contract Months)

- B. The application of termination charges pursuant to this Section shall not affect the application of termination charges pursuant to the tariff or any other agreement.
- C. Customer further acknowledges that it has options for its telecommunications services from service providers other than BellSouth and that it has chosen BellSouth to provide the services included in this Agreement. Customer, therefore, agrees that if it terminates this Agreement or the services provided pursuant to this Agreement, Customer will be responsible for termination charges set forth in A and B above. Customer, however, will not be responsible for termination charges if a certified reseller of BellSouth local service resells this Agreement to Customer and such reseller executes a written document agreeing to assume all of Customer's obligations to BellSouth under the Agreement.
- D. If BellSouth receives written notification from Customer anytime during the 24th month of the contract of the intent to terminate this Agreement at the end of the twenty-fourth (24th) month, the contract will be terminated at the end of the twenty-fourth (24th) month from the Effective Date of the contract and termination penalties as specified in Section IX will not apply. Termination notification received after the beginning of the twenty-fifth (25th) contract month will result in termination penalties in accordance with Section IX.

X. BUSINESS CHANGE

services, (hereinafter collectively referred to as "Business Change"), any of which significantly reduce volume of network services required by with the result that unable to meet its Annual Revenue Commitment under this Agreement (notwithstanding will consider the Customer's Annual Revenue Commitment to the extent of any shortfall resulting from the Change. This provision shall not apply to a change resulting from a decision by reduce its overall use of telecommunications; or (ii) to transfer portions of its traffic or projected group providers other than BellSouth. In the provision does not constitute a waiver charges, including shortfall charges, incurred by agree to amend this Agreement. This provision does not affect the application of termination charges the tariff or other agreements.	ooperate to the Business (i) to owth to the conditions
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XI. HIGHER ORDER OF SERVICE

BellSouth may offer to the Customer with higher functionality and increased capacity ("Higher Order of

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Service"). In the event elects to incorporate such a Higher Order of Service into its network design, and the use of such Higher Order of Service results in the elects to incorporate such a Higher Order of Service into its meet its Annual Revenue Commitment under this Agreement, then, subject to all applicable regulatory of any shortfall resulting from the migration to a Higher Order of Service.

XII. TARIFF CHANGES

If during the term of this Agreement, BellSouth requests and receives regulatory approval for price reductions on tariff services purchased by and such price reductions cause and such price reductions cause applicable regulatory requirements, BellSouth agrees to reduce Commitment under this Agreement, then subject to Commitment to the extent of the shortfall resulting from the price reduction(s).

XIII. ANNUAL TRUE-UP

At the end of each Contract Year, BellSouth will conduct a review of to determine if the Chieved its Annual Revenue Commitment ("Annual True-Up"). During the Annual True-Up, BellSouth will calculate any Commitment Shortfall in accordance with Section VI. During the Annual True-Up, BellSouth and Can also propose any adjustments to the Annual Revenue Commitment.

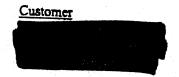
applied as a credit on the BellSouth bill for local and intraLATA services. Further, any debit resulting from the Annual True-Up will be Annual True-Up for failure to meet the Annual Revenue Commitment or Termination Liability will be billed outstanding amounts.

XIV. MISCELLANEOUS

- A. This offer shall expire on May 15, 2002.
- B. This Agreement shall be construed in accordance with the laws of each state where the service is provided unless otherwise provided.
- C. Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received and shall be sufficient if given in writing, delivered by hand, facsimile, overnight mail delivery, or United States mail, postage prepaid, addressed to the appropriate party at the address set forth below. Either party hereto may change the name and address to whom all notices or other documents required under this Agreement must be sent at any time by giving written notice to the other party. Current addresses are:

BellSouth
Assistant Vice President
BellSouth Business Systems
3196 Hwy 280 South
Birmingham, AL 35243

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- D. In the event that one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect under any statute, regulatory requirement, or rule of law, then such provisions shall be considered inoperative to the extent of such invalidity, illegality or unenforceability, and the remainder of this Agreement shall continue in full force and effect.
- E. Each party agrees to submit to the other all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement or to the services provided under this Agreement wherein corporate or trade names, logos, trademarks, or service marks of the other party or any of its affiliated companies are mentioned or wherein there is language from which a connection to said names or marks may be inferred. Each party further agrees not to publish or use such advertising, sales promotions, press releases, or publicity matters without the other party's prior written approval.
- F. Customer may not assign its rights or obligations under this Agreement without the prior written consent of the Company. Such consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative on the dates set forth below.

n	BELLSOUTH TELECOMMUNICATIONS, INC.
BY:	BY: J. Brian Singleton Printed Name
Authorized Signature	BY: Authorized Nignature
TITLE: Group () Materials	TITLE: VPGM
DATE: 4/2/02	DATE: 4/8/02

Appendix 1

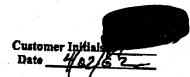
Volume & Term Attachment AL01-D473-10 Master Services Agreement No. AL01-D473-00

Discount Eligible Services

Group A

BASIC BUSINESS BELLSOUTH CENTREX ESSX FCO & FX SERVICES FRAME RELAY ISDN INDIVIDUAL BUSINESS LINE MEGALINK MEGALINK CHANNEL SERVICE MULTISERV/MULTISERV PLUS NARs - ESSX/Digital ESSX Service NARs - MegaLink Channel Service PBX TRUNKS AND DID PRIMARY RATE ISDN (Except in Alabama and Mississippi) RINGMASTER SMARTRING IAS SPA DED RING SYNCHRONET

Page 1 of 1



APR.15.2002 3:03PM

PM BBS SALES DIVISION

NO.392 P.13

Appendix 2

Volume & Term Attachment AL01-D473-10
Master Services Agreement No. AL01-D473-00

ANNUAL REVENUE COMMITMENT

3 Year Agreement:

Annual Revenue Commitment

Discount Level

\$2,865,000.00

Page 1 of 1

Customer Inition
Date 1/02/52

Tennessee Appendix

Volume & Term Attachment AL01-D473-10 Master Services Agreement No. AL01-D473-00

TENNESSEE ADDENDUM

- 1. Customer and BellSouth acknowledge that various competitive alternatives are available to Customer in the State of Tennessee, including competitive alternatives to services provided herein, as evidenced by one or more of the following:
 - A. Customer has received offers for comparable services from one or more other service providers, including USLEC
 - B. Customer is purchasing or has purchased comparable services from one or more other service providers, including N/H (or N/A);
 - C. Customer has been contacted by one or more other service providers of comparable services, including USLEC (or N/A); and
 - D. Customer is aware of one or more other service providers, from whom it can currently obtain comparable services, including <u>USLEC</u> and <u>Deltacom</u>.
- 2. Customer and BellSouth agree that Customer's early termination of the Agreement without cause will result in damages that are indeterminable or difficult to measure as of this date and will result in the charging of liquidated damages as specified in this paragraph of this Addendum. Notwithstanding any provisions in the Agreement to the contrary, Customer and BellSouth agree that with regard to services provided within the State of Tennessee, this Paragraph of this Addendum sets forth the total amounts of liquidated damages the Customer must pay upon early termination of the Agreement without cause will be the lesser of the following:
 - a. the amount specified in Section IX of this Agreement; or
 - b. the total of the repayment of discounts received during the previous twelve (12) months of service, the repayment of the prorated amount of any waived or discounted nonrecurring charge, and the repayment of the prorated amount of any documented contract preparation, implementation, and tracking or similar charges; or
 - c. six percent (6%) of the total Agreement amount; or
 - d. twenty-four percent (24%) of the average annual revenues of the Agreement if the term of the Agreement is longer than four (4) years.

Customer and BellSouth agree that these amounts represent a reasonable estimate of the damages BellSouth would suffer as a result of such early termination and that these amounts do not constitute a penalty.

- 3. Customer and BellSouth acknowledge and confirm their understanding that:
 - (a) Customer's agreement to pay the difference between the actual billed revenue for its V&T Eligible Services and its contract revenue commitment, as set forth in Section V of the CSA, does not apply upon Customer's early termination of the CSA; and
 - (b) Customer must therefore pay only the amount calculated in accordance with Section IX upon early termination of the CSA.

Tennessee Appendix

Volume & Term Attachment AL01-D473-10 Master Services Agreement No. AL01-D473-00

4. In the event that the customer terminates this tariff term plan without cause prior to the expiration of this term plan, the Customer shall pay a termination charge as specified in the BellSouth tariffs (Section A2.4.10.E.1 and B2.4.9.A.4, available on the Web at http://cpr.bellsouth.com/pdf/tn/tn.htm). The Customer may request a calculation of the termination charge at any time during the term of this contract. Based on the information available at the start of this contract, at the end of the first six (6) months of the contract period and for each six (6) month period thereafter, the estimated amount of the termination liability charge will be \$515,700. In any event, the estimated termination liability charge will not exceed this amount. Should the Customer elect to terminate this contract prior to the expiration date without cause, the actual termination charge will be calculated in accordance with the tariffs referenced above and based on information available at the time of termination.

Customer:	
В	
Printed Name	
Ву	
Authorized Sig	nature
Title: Gray V?	materials

4/2/02

BellSouth Telecommunications, Inc. By: BellSouth Business Systems, Inc.

By: <u>J. 13 rich Ding let</u> Printed Name

Authorized/Signature

Title: UPGM

Date: 4/8/02